



DISASTER NEWS

Economic Injury Loans for Small Businesses

Release Date: July 12, 2004

Contact: Colleen Hiam or Perry Pedini

Release Number: 04-98, 9Y71 -VA

Phone: 716-282-4612

SBA Disaster Loan Deadline is August 2 ***Small business owners still have time to apply***

ROANOKE, VA - The U.S. Small Business Administration reminds small, non-farm and agriculture-dependent businesses located in various counties in Virginia that the filing deadline for Economic Injury Disaster Loans (EIDLs) is August 2.

“A disaster declaration was issued as a result of a similar action taken by the Secretary of Agriculture to help farmers in Virginia recover from losses caused by excessive rain that occurred from April 1 through August 31, 2003,” said SBA Disaster Area Director William E. Leggiero, Jr.

Under this declaration, SBA’s EIDL program is available to small agriculture-dependent businesses and small agricultural cooperatives that suffered economic injury as a direct result of the weather’s effect on agricultural producers. For example, businesses that sell goods and services directly to agricultural producers may be unable to pay bills and/or meet expenses because of the reduced purchasing power of the farmers and ranchers.

Eligible small businesses may qualify for loans up to \$1.5 million. These loans are available at a 3.189 percent interest rate with loan terms up to 30 years. SBA determines eligibility for the program based on the size and type of business and its financial resources.

“SBA does not provide loans to farmers, and cannot provide loans to non-agricultural dependent businesses. Small businesses may contact their local SBA District office for information and other possible assistance. Farmers and ranchers should contact the Farm Services Agency, for information regarding loan programs.” Leggiero added.

The declaration designates Amherst and Washington counties in the Commonwealth of Virginia as the primary disaster area. Small businesses in the contiguous counties of Appomattox, Bedford, Campbell, Grayson, Nelson, Rockbridge, Russell, Scott and Smyth; and the independent cities of Bristol and Lynchburg in the Commonwealth of Virginia are also eligible to apply.

Interested small business owners should contact the SBA Disaster Area 1 Office at 1-800-659-2955 or 1-800-877-8339 for the hearing-impaired to obtain an application or for more information. Completed disaster loan applications must be returned to SBA no later than August 2, 2004.

For more information visit SBA’s website at www.sba.gov/disaster

###

SBA Disaster Assistance Office/Area 1 - 360 Rainbow Blvd., South - Niagara Falls, NY 14303